



# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## LABOR FORCE & EMPLOYMENT

The average unadjusted unemployment rate from December 1999 to November 2000 was 3.9 percent, which is seven-tenths of a percentage point lower than the 1999 annual average unemployment rate of 4.6 percent. The drop in unemployment was a combination of a 1.9 percent increase in the *Civilian Labor Force* and a subsequent decrease in the average number of unemployed workers in 2000.

*Nonfarm Payroll Jobs* increased by 850 jobs or 2.3 percent on average from 1999 to 2000. The largest sector increase was in *Services* with a 10.2 percentage-point increase, followed by *Food Processing* with a 9.6 percent increase. The sector with the highest percentage decrease was *Manufacturing-Durable Goods*, dropping 7.1 percent, although the decrease represented a decline of only 80 jobs. *Retail Trade* declined by 3.8 percent although Home Depot opened in Twin Falls and Wal-Mart opened in Jerome. This represents a certain caution in retail staffing, and the decline showed up especially in smaller retail fashion shops and in grocery store staffs. *Government Education* showed a 4.2 percent decline. This was attributable to a significant drop in enrollment in the Twin Falls and the Gooding School Districts that caused some teacher and teacher aide cutbacks in those districts. The outlook for *Government-Education* jobs in the Magic Valley Labor Market Area is very guarded since the drops in enrollment have continued. The Twin Falls School District is projecting further teacher cuts and the elimination of some classified staff positions during the 2001 school year.

Magic Valley Table 1: Labor Force & Employment

Twin Falls, Jerome, and Gooding Counties	Projected 2000	1999	% Change From Last Year
INDIVIDUALS BY PLACE OF RESIDENCE			
Civilian Labor Force	48,770	47,850	1.9
Unemployed	1,910	2,210	-13.6
% of Labor Force Unemployed	3.9	4.6	
Total Employment	46,860	45,640	2.7
JOBS BY PLACE OF WORK			
<b>Nonfarm Payroll Jobs**</b>	37,900	37,050	2.3
<b>Goods-Producing Industries</b>	7,280	7,020	3.7
Mining	2,080	2,030	2.5
Construction	5,200	4,990	4.2
Manufacturing	780	840	-7.1
Lumber & Wood Products	4,420	4,150	6.5
All Other Manufacturing	3,430	3,130	9.6
<b>Service-Producing Industries</b>	990	1,020	-2.9
Transportation	30,620	30,030	2.0
Communication & Utilities	3,000	2,840	5.6
Wholesale Trade	2,390	2,390	0.0
Retail Trade	7,770	8,080	-3.8
Finance, Insurance & Real Estate	1,410	1,420	-0.7
Services	8,990	8,160	10.2
Government Administration	3,660	3,590	1.9
Government Education	3,400	3,550	-4.2

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Overall, however, the Magic Valley experienced strong growth in job creation and a subsequent reduction in unemployment rates. Despite some serious concerns in the agricultural sectors due to low commodities prices, the outlook for the Magic Valley is continued growth, even if it is slowing. Unemployment will probably average between 4.0 and 4.5 percent at least in the near-term of 2001.

## AREA DEVELOPMENTS

### Twin Falls County

- Independent Meats, one of Twin Falls County's largest employers, completed and opened a new freezer warehouse. Many city and business leaders as well as representatives from Pacific Rim countries were on hand for the official grand opening of the new facility. The new freezer warehouse is 36,000 square feet with 200 tons of refrigeration capacity. A freezer with 12,000 square feet of capacity can

keep meat at ten degrees Fahrenheit and there are two blast freezers that can flash freeze 40,000 pounds of product in twelve hours for export to other countries. Japan is the primary importer of Independent Meat's products, but the company is expanding its market share throughout the Pacific Rim. This expansion has greatly expanded its capability to export meat products anywhere in the world.

- Home Depot, a national leader in hardware products, opened a new store in Twin Falls in April 2000. Magic Valley Job Service assisted in the original recruitment efforts for Home Depot and the response was overwhelming. In the initial recruitment, prior to turning the responsibility over to Home Depot's human resources division, Magic Valley Job Service took over 1,000 applications for 150 jobs. Home Depot opened on April 6, 2000, as scheduled, and the company is very pleased with its workforce.
- Twin Falls County also experienced a boom in technology jobs in 2000. In April 2000, Discovery Research Group, a major call center, opened in Twin Falls. Discovery is a non-sales outbound call center that conducts market research and political polling. Discovery hired about sixty workers at first and has expanded its workforce to about 100 workers. Magic Valley Job Service assisted with the initial recruitment and the company was very pleased with the quality of workers recruited.
- A new veterans' health clinic opened in Twin Falls in June 2000. The Twin Falls community-based outpatient clinic is located at 676 Shoup Avenue West. Previously, veterans had to travel to Boise for even the most routine checkups and can now get those services in Twin Falls. The clinic offers such services as periodic examinations, office visits for acute chronic medical illnesses, immunizations, health promotion and prevention, and referrals to Veteran's Affairs for necessary specialty care.
- Historic Downtown and Old Towne Twin Falls hired a new Executive Director to help coordinate efforts aimed at improving its image and promoting growth for this part of Twin Falls. Tim Jones was chosen for this position and began his duties in May.
- The Twin Falls City Council approved a proposal by developer Craig Nielsen to build a high-rise ho-

tel and convention center on the Snake River Canyon Rim. The hotel will be seven stories high and will also include hiking trails and a retail strip mall. Groundbreaking for this project has already begun.

- SMI Joist, a subsidiary of Commercial Metals Company, opened a new regional technical office in Twin Falls. Magic Valley Job Service assisted in the recruitment of seven full-time workers for the operation. SMI markets steel joists manufactured by SMI factories in four locations in the United States. It employs sales, clerical, drafting, and engineering workers. Eventually the company will employ twenty workers.
- In response to citizen's concerns regarding dairy waste and odor, the Twin Falls County Commissioners have imposed a moratorium on new dairy placement within the county. The county plans to study various means of curtailing odor and waste prior to authorizing additional dairies. The moratorium will be in effect until at least March 2001.
- Labor Ready, a new temporary employment business, opened in Twin Falls in 2000. The Tacoma-based business is unique in that it recruits workers to its office every morning and employers choose workers on a daily basis. Labor Ready's goal is to deliver workers within an hour of a client's call, and to provide payment to the worker at the end of the day.
- Lamb-Weston and Glanbia Foods participated in the Career Fair at Orofino on November 16, 2000. They were there to recruit workers from the Pierce and Weippe areas who were affected by the closure of the Potlatch Corporation's Jaype timber mill in Pierce. Lamb-Weston has hired approximately nineteen workers from North Idaho to work in Twin Falls and Glanbia Foods, Inc. indicated it had interviewed some prospects for its cheese factories in Richfield and Gooding. Both companies were looking for maintenance workers and other skilled occupations that are in short supply in the Magic Valley.
- The Twin Falls School District has determined that it will need to eliminate nine teaching positions for the 2001-2002 school year because of dropping enrollment. Even more classified positions will be lost. The enrollment count is 6,860, down by 186 students from a year ago. That will translate into less state funding next school year.

- Shoshone Falls Park is undergoing a \$1 million renovation, which began November 13, 2000 and will continue until May 30, 2001. A new overlook platform along with an expanded parking lot and new restrooms is being constructed. Until the new overlook is completed, the overlook area is closed and the entire park will be closed in the spring of 2001 when Idaho Power begins burying cable.
- The Old Towne Business Improvement District (BID) and Downtown Business Improvement District of Twin Falls voted in September 2000 to merge the two Districts into one BID named Historic Old Towne Twin Falls. Earlier in the year, the Old Towne BID hired Tim Jones to be its new Executive Director. Mr. Jones will continue in that capacity for the merged BID. As a result of the merger, Mr. Jones' office was moved from the second floor of the First Security Building on Main Street to a more accessible location at 113 Shoshone Street North.

#### **Jerome, Gooding Lincoln, Camas, and Blaine Counties**

- Saint Benedict's Family Medical Center in Jerome changed hands in a three-way agreement. The Jerome Hospital and its owners, the Idaho Corporation of Benedictine Sisters, announced a joint agreement with Saint Alphonsus Regional Medical Center in Boise and Benedictine Health Systems of Duluth, Minnesota. Under the agreement, Saint Alphonsus and its owners, Trinity Health Services, are the new owners and Benedictine Health Systems will take care of day-to-day operations.
- A new 151,980 square foot Wal-Mart Super Center opened in Jerome in August 2000. The new facility has a full service grocery department, electronics department, and auto center in addition to a regular department store. The company initially hired 415 employees and received over 4,000 applicants for those positions. Wal-Mart had a very successful grand opening and has reported excellent sales in its first quarter of operations.
- The Jerome Chamber of Commerce hired a new part-time economic development specialist in September 2000. The new hire, Bob Richards, is a retired banking and finance professional who came to Jerome as assistant vice-president and manager of Washington Federal Savings and became involved in economic development almost immediately. His position was made possible with a \$10,000 grant from Bechtel BWXT, the joint-venture contractor that runs the Idaho National Engineering and Environmental Laboratory. The Jerome Chamber is raising other money to make this an on-going position.
- Avonmore West, a major Magic Valley Cheese processor, changed its name to Glanbia Foods, Inc. The name reflects the Ireland-based company's heritage and is a combination of the Gaelic words "glan" meaning pure or clear and "bia" meaning foods. The name change took place in February 2000.
- Glanbia, Inc. completed a \$33 million expansion of its cheese processing facility in Gooding. The plant, originally a meat packing facility, was purchased and converted to cheese processing in 1991. Expansions in 1995, 1997, and 2000 have increased barrel capacity by 167 percent to reach the current output of 187 million pounds of American cheese annually. The newly expanded plant is a 170,000 square foot facility located on 40 acres and employs 223 employees including a transportation department. The plant currently processes 4.6 million pounds or 460,000 gallons of milk per day. With expansion, it has the infrastructure to process six million pounds of milk per day. The facility has one of the world's largest single membrane reverse osmosis systems used to concentrate whey and an ultra-filtration system that separates proteins, lactates and minerals from the whey.
- Minneapolis-based Land O'Lakes also completed a large plant expansion in Gooding in 2000. The Gooding plant was built in 1996, but the dairy growth in South Central Idaho made expansion necessary. The expansion had three main parts. First, a rail spur, more than a mile long, was added to handle 100-car trains so the Gooding plant can accommodate entire grain trains from suppliers in the Midwest. To unload the extra grain cars, the company also built two corn storage tanks with a 630,000-bushel total capacity. Secondly, the Gooding plant added another flaking mill to steam grain before it enters the mill's two big rolls. This increased the plant's flaking capacity by 50 percent or 310,000 tons annually. Finally, a new vitamin and mineral-supplement plant was built at the Gooding facility to manufacture the company's BioMetrics brand of feed. The annual capacity of the new BioMetrics plant is 35,000 to 40,000 pounds of supplements.

- The new St. Luke's Wood River Medical Center opened and began accepting patients on November 19, 2000. As a result, the Wood River Medical Center's hospitals in Sun Valley and Hailey closed on the same day and patients were transferred. The new 32-bed facility is located at 100 Hospital Drive, adjacent to Highway 75, about two miles south of Ketchum. In addition to a 24-hour emergency department, St Luke's provides surgery, maternity care, X-ray and MRI imaging, laboratory testing and rehabilitation services. A new urgent care center opened in Hailey on November 19<sup>th</sup> also, and will be available for minor medical emergencies. South Blaine County residents seeking treatment for minor injuries, infections, or illnesses can visit that clinic, located at 706 S. Main in Hailey.
- A record number of Blaine County voters turned out and approved a \$40 million plant facilities levy that will provide money to build a new high school and a new elementary school, plus several additions and improvements to other school buildings in the district. The measure required 55 percent approval and 58.7 percent of the voters approved the levy. The first class to graduate from the new high school will be the class of 2004.
- In September 2000, Jerome residents approved an \$875,000 supplemental levy to build a 4,500-square foot multi-purpose room, an 1,800-square-foot library and two classrooms at Jefferson Elementary School. These new facilities will ease a critical overcrowding problem at Jefferson Elementary. Construction will start in the spring of 2001 and could be finished in time for the 2001-2002 school year.
- The City of Hailey was granted Gem Community status this past year by the Idaho Department of Commerce. The city passed a resolution to focus on improving the area economy and formed its economic development committee in 1998, and in 1999, a broad-based citizens' group worked for more than a year on a long-term strategic plan for improving Hailey's economy. These efforts resulted in Gem Community status for the city. Idaho's Gem Community program helps cities, counties, towns or tribal nations develop plans with technical assistance from the Department of Commerce.

## **Cassia and Minidoka Counties**

- Tele-Servicing Innovations, Inc. (TSI), an Idaho Falls-based call center, located a new call center facility in Burley in April 2000. On July 6, 2000, the company opened a permanent location at 759 Overland Avenue in Burley. A cooperative effort between the city of Burley, the Mini-Cassia Chamber of Commerce, the Mini-Cassia Development Commission, Bechtel Northwest (INEEL) and the Idaho Departments of Labor and Commerce helped to bring TSI to Burley. Jeff Neiswanger, president of TSI, said that his company had all but signed to bring its operation to Montana when someone suggested they visit the Mini-Cassia area. The friendliness of the people and the good labor force persuaded TSI to locate in Burley. TSI employs approximately 100 workers, and was featured prominently in a June 14, 2000 issue of the *Wall Street Journal* in an article focusing on call centers in rural areas. TSI has since announced plans to locate a new call center in Smelterville in North Idaho, thus helping a troubled economy in that area. The July 6, 2000 Burley ribbon-cutting was attended by Idaho Department of Labor Director Roger Madsen, Mini-Cassia Job Service Manager Brent Tolman, Mini-Cassia Job Service Employment Services and Program Supervisor Donna Fletcher, Labor Market Analyst Greg Rogers and a host of other local city and business leaders.
- Mechelle McFarland was hired as the new Economic Development Coordinator for the Mini-Cassia Development Commission. She was hired after the resignation of Todd Christensen in July 2000. Mechelle is a native of the area and served as the interim coordinator after Mr. Christensen left. She has begun her duties as permanent coordinator.

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